

W. H. & C. C.
1919
MAY 1920

AMERICAN STORES COMPANY

And

AFFILIATED COMPANIES

COMBINED STATEMENT

DECEMBER 31, 1919

AMERICAN STORES COMPANY

OFFICERS

President, Samuel Robinson

Vice-President, John Eagleson

Vice-President, Robert H. Crawford

Vice-President, William M. Crowe

Vice-President, George M. Dunlap

Secretary and Assist. Treas., E. J. Flanigan

Treasurer, Wm. M. M. Robinson

DIRECTORS

Samuel Robinson, Philadelphia

John Eagleson, Philadelphia

Robert H. Crawford, Philadelphia

Wm. M. Crowe, Philadelphia

George M. Dunlap, Philadelphia

Charles Counselman, Chicago

Joseph Gilfillan, Philadelphia

Samuel M. Clement, Jr., Philadelphia

James K. Trimble, Philadelphia

F. W. Bacon, Philadelphia

James K. Robinson, Philadelphia

We have audited the books and accounts of the American Stores Company and Affiliated Companies for the year ended December 31, 1919, and hereby certify that in our opinion the annexed combined Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs according to the best of our information and the explanations given to us and as shown by the books of the Companies.

We have obtained all the information and explanations required by us.

BARROW, WADE, GUTHRIE & CO.
Chartered Accountants

PHILADELPHIA, PA.
MARCH 10, 1920.

AMERICAN

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COMBINED

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ASSETS

CURRENT ASSETS AND INVESTMENTS:

Cash.....	\$ 1,450,603.05	
Accounts Receivable.....	217,363.53	
<i>Inventories:</i>		
Branch Stores.....	\$ 2,593,240.45	
Bakeries.....	178,358.32	
Warehouses.....	4,052,641.68	
Merchandise in Transit.....	550,603.58	
Miscellaneous.....	61,281.89	7,436,125.92
Liberty Bonds at Market Value.....	1,374,880.00	
Thrift Stamps.....	3,358.68	
Accrued Interest Receivable.....	22,727.73	
Dividends Receivable.....	1,163.75	10,506,222.66

TREASURY STOCK:

1st Preferred Stock—565 Shares Cost.....	51,329.70	
2d Preferred Stock—100 Shares Cost.....	9,112.50	60,442.20

PREPAID ASSETS:

Mercantile Licenses.....	86,741.42	
Automobile Licenses.....	10,743.50	
Insurance.....	60,219.46	
Store Rents.....	7,271.56	
Store Dwelling Rents.....	1,413.41	
Railroad Sidings.....	1,340.19	
Discount on Notes Payable.....	3,861.67	171,591.21

FIXED ASSETS:

Warehouse and Warehouse Fixtures.....	1,673,630.54	
Warehouse Delivery Fixtures.....	291,472.14	
Warehouse Dwellings.....	90,791.47	
Bakery and Bakery Fixtures.....	748,346.69	
Bakery Delivery Fixtures.....	85,798.50	
Branch Store Fixtures.....	895,179.24	
Office Fixtures.....	35,832.34	
Superintendent's Automobiles.....	23,286.95	
Stables, Garages and Fixtures.....	369,037.27	
Advance Payment on Account of Real Estate.....	1,000.00	4,214,375.14

SUNDRY ASSETS:

Goodwill.....	\$11,375,000.00	
<i>Less: Special Surplus arising from acquisition of Acme Tea Co. Stock</i>		
under Par.....	1,659,439.94	9,715,560.06
		<u>\$24,668,191.27</u>

COMPANY

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31, 1919

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable.....	\$ 1,413,626.86	
Notes Payable.....	1,345,415.24	
Wages Payable—Accrued.....	95,540.83	
Dividends Payable.....	<u>88,492.25</u>	2,943,075.18

RESERVES:

Reserve for Income, War and Excess Profit Taxes, etc.....	1,820,341.80	
Stock Redemption—1st Preferred.....	328,785.67	
Stock Redemption—2d Preferred.....	60,000.00	
Trading Stamp Account.....	<u>11,051.57</u>	2,220,181.84

OUTSIDE STOCKHOLDERS' INTEREST IN CONTROLLED COMPANIES:

Acme Tea Co.—1st Preferred Stock.....	1,628,100.00	
Acme Tea Co.—2d Preferred Stock.....	2,500.00	
Acme Tea Co.—Common Stock.....	30,000.00	
Share of Surplus.....	<u>15,687.19</u>	1,676,287.19

CAPITAL AND SURPLUS:

Capital:

1st Preferred Stock Issued and Outstanding.....	3,599,700.00
2d Preferred Stock Issued and Outstanding.....	1,457,000.00

Common Stock Authorized—150,000 shares

Less: Unissued 7,760 shares

Issued and Outstanding..... 142,240 shares No par.....	<u>8,974,150.00</u>
	14,030,850.00

Surplus.....	<u>3,797,797.06</u>	17,828,647.06
		<u>\$24,668,191.27</u>

AMERICAN STORES COMPANY

AND
AFFILIATED COMPANIES

STATEMENT OF COMBINED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 1919

Gross Sales.....		\$76,401,889.14
Cost of Goods Sold.....		<u>63,378,894.63</u>
Gross Profit on Sales.....		13,022,994.51
STORE OPERATING EXPENSE:		
Wages and Commissions.....	\$ 4,431,908.23	
Rents.....	547,593.02	
Freight and Expressage.....	503,329.18	
Repairs, Maintenance and Expense.....	722,055.08	
Depreciation.....	212,440.68	
Total.....	6,417,326.19	
Warehouse, Administration and General Expense.....	<u>2,602,502.38</u>	
Total Operating and Administration Expense.....		9,109,919.57
NET STORES PROFIT.....		<u>3,913,074.94</u>
OTHER INCOME:		
Interest and Discount, etc.....	36,569.67	
Property Accounts.....	15,432.30	
Miscellaneous Sales Profit.....	<u>9,619.67</u>	61,621.64
		<u>3,974,696.58</u>
MISCELLANEOUS DEDUCTIONS:		
Organization Expenses.....	47,824.34	
Lease Account (Closed Stores).....	14,885.12	
Loss on Sale of Warehouse No. 4.....	19,800.79	
Interest on Notes.....	7,110.01	
Repairs and Maintenance, Sundry Properties.....	1,214.21	
Taxes and Water Rents, Sundry Properties.....	1,805.07	
Depreciation on Sundry Properties.....	<u>1,920.75</u>	94,560.29
NET PROFIT.....		<u>3,880,136.29</u>
DEDUCTIONS FROM NET PROFIT:		
Reserve for Federal and State Taxes, etc.....	1,295,399.59	
Reserve for Loss on Liberty Bonds.....	<u>125,120.00</u>	1,420,519.59
Balance Available for Dividends and Sinking Fund.....		2,459,616.70
Deduct: Preferred Dividends and Sinking Fund.....		<u>629,173.00</u>
SURPLUS FOR YEAR 1919.....		<u>\$ 1,830,443.70</u>